

OTIS & CO.
STATISTICAL LIBRARY
MAR 9 - 1929
NOT TO BE TAKEN AWAY

THE APEX ELECTRICAL
MANUFACTURING
COMPANY

Cleveland

ANNUAL REPORT
1928

Annual Report to Stockholders

The Apex Electrical Manufacturing Company

Electrical Home Appliances

FACTORY AND GENERAL OFFICES
CLEVELAND, OHIO

March 3, 1929.

To Apex Stockholders:

The Consolidated Balance Sheet of the Apex Companies, setting forth the financial condition at the close of business December 31, 1928, is appended hereto.

Net profit for the year 1928, after ample provision for depreciation, Federal Income Taxes, etc., amounted to \$387,528.23, as compared with Net Profit of \$124,042.44 for the previous year, this substantial improvement in profits resulting from a material increase in sales volume.

The ratio of current assets to current liabilities is likewise improved, being 5.24 to 1 at December 31, 1928, compared with 4.51 to 1 at December 31, 1927.

The Company has no bank loans.

The increase in volume of business necessitated substantial expenditures for buildings, machinery and equipment; these expenditures being approximately \$160,000.00.

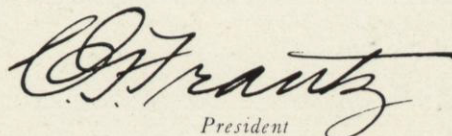
Considerable expense was incurred in the rearrangement of factories to increase the efficiency of operation and to handle the increased volume of business, all of which have been charged against the operating result for the year 1928.

In order to keep up with the very rapid strides being made in the improvement of household electrical appliances, the Company carried on a considerable amount of development work and also acquired two new products to further complete the full line of Home Labor Saving Appliances of Vacuum Cleaners, Electric Washers and Ironers. One of these products was an electric ironer secured through the acquiring of the business of the Wonder Ironer Manufacturing Co., whose factory lease, equipment and trade rights were likewise acquired, and the other was a New Wringerless type Electric Washer, without question the most modern development in the industry.

In order to increase the marketability of Apex Stock, the Company recently listed its Preferred and Common Shares on the Cleveland Stock Exchange.

The Directors have declared a cash dividend of \$2.75 per share, payable April 1st, 1929, on the Preferred Shares of record March 20th, 1929; \$1.75 of this dividend covers the first quarter of this year and \$1.00 applies on the accumulated unpaid dividends. If operations remain on the present satisfactory basis during the current year, it is expected that payment of the regular quarterly dividend of \$1.75 per share on the Preferred Shares can be continued and some further reductions made on the accumulated unpaid dividends on the Preferred Shares.

For the Directors,


President

Consolidated Balance Sheet

The Apex Electrical Manufacturing Company and Subsidiaries

As of the close of business December 31, 1928.

ASSETS

Current:

Cash.....	\$	37,649.90	
U. S. Government Securities.....		260,455.18	
Notes and Acceptances Receivable.....		15,379.49	
Accounts Receivable.....	\$	562,214.62	
Less: Allowance for Doubtful, etc.....		89,779.85	472,434.77
Merchandise Inventory (Certified by Management).....		452,244.37	\$1,238,163.71

Other Assets:

Miscellaneous Accounts Receivable, Investments, etc.....			22,903.30
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Permanent

Land, Buildings, Machinery, Equipment, etc., as appraised by The American Appraisal Company as of October 31, 1924 with subsequent additions at cost....	\$1,147,672.53		
Less: Allowance for Depreciation.....	412,157.31		735,515.22

Patents, Licenses, etc.

111,740.95

Deferred:

Advance Royalties, Prepaid Expenses, etc.....			56,799.04
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\$2,165,122.22

LIABILITIES

Current:

Accounts Payable for Purchases, Expenses, Pay Rolls, etc..	\$	174,590.39	
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Accrued:

Federal Income Tax—Estimated....	\$	50,000.00	
Real and Personal Taxes, etc.....		11,490.56	61,490.56
			\$ 236,080.95

Deferred Liabilities:

Notes Payable—Secured by Mortgage.....	\$	134,120.00	
Contracts Payable.....		7,250.00	141,370.00

Reserve for General Contingencies, etc.....			176,899.78
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Deferred Income (On Installment Sales).....			84,825.76
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Capital Stock:

Preferred—7% Cumulative			
Authorized and Issued, 8,420 shares.....	\$	842,000.00	
Common (No Par Value)			
Authorized 90,000 shares—Issued 85,065 shares of which 539 shares are in the Treasury			
Stated Common Capital.....		100,000.00	

Surplus Accounts:

Capital Surplus.....	\$	350,921.22	
Unearned Surplus.....		126,693.77	
Profit & Loss-Surplus.....		106,330.74	583,945.73

1,525,945.73

\$2,165,122.22

(Note) No Dividends have been paid on the outstanding Preferred 7% Cumulative Stock since Jan. 1, 1925.

WE HEREBY CERTIFY, that we have examined the books of account and record of THE APEX ELECTRICAL MANUFACTURING COMPANY—CLEVELAND, AND SUBSIDIARIES—as of the close of business December 31, 1928, and that, in our opinion, based upon the records examined and information obtained by us, the accompanying Consolidated Balance Sheet sets forth the financial position of the combined Companies at the date named.

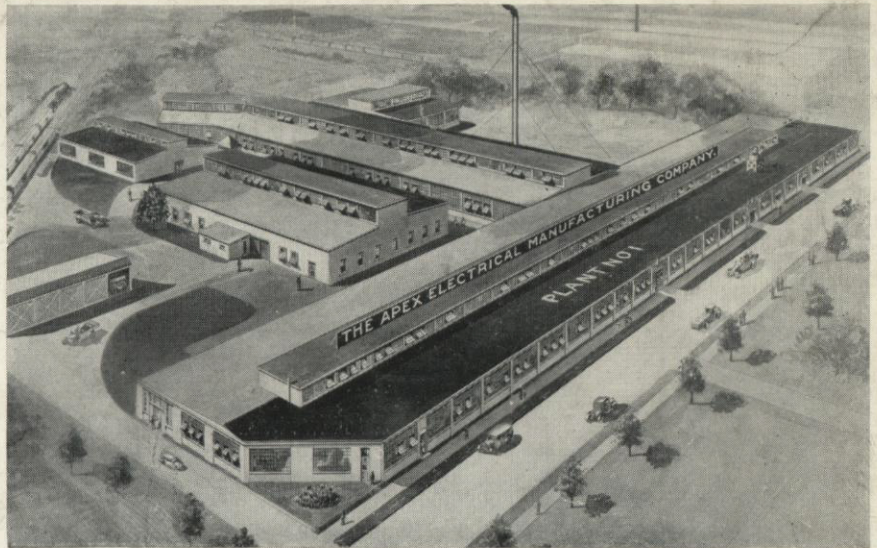
ERNST & ERNST

Certified Public Accountants

March 2, 1929

PLANT No. 1

GENERAL OFFICES
WASHER DIVISION



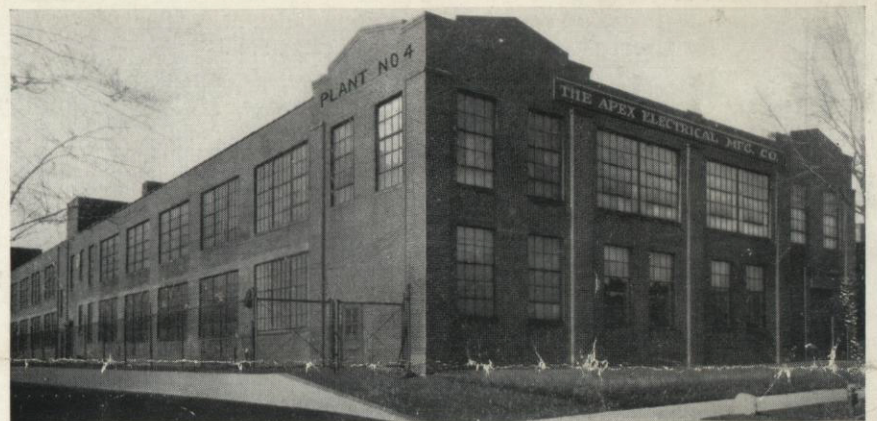
PLANTS Nos. 2 and 3

FOUNDRY DIVISION
MOTOR DIVISION



PLANT No. 4

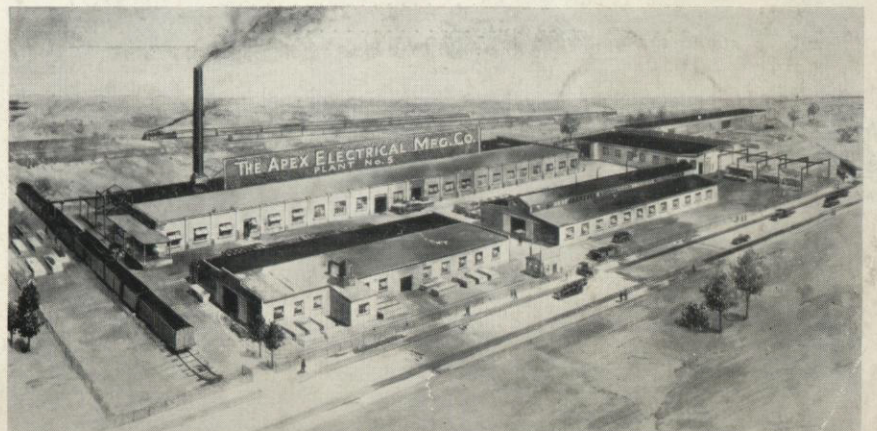
VACUUM CLEANER DIVISION
SERVICE
ENGINEERING



PLANT No. 5

[[Former plant of Wonder
Ironer Manufacturing Co.]]

IRONER DIVISION



Consolidated Balance Sheet

The Apex Electrical Manufacturing Company, and Subsidiaries

As of the close of business December 31, 1929.

OTIS & CO.
STATISTICAL LIBRARY

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ASSETS

Current:			
Cash	\$ 37,620.01		
U. S. Government Securities	436,889.89		
Notes and Acceptances Receivable	10,205.46		
Accounts Receivable	\$597,564.91		
Less: Allowance for Doubtful, etc.	94,084.18	503,480.73	
Merchandise Inventory (Certified by Management)	581,359.88	\$1,569,555.97	
Other Assets:			
Miscellaneous Accounts Receivable, Investments, etc.		64,037.97	
Permanent:			
Land, Buildings, Machinery, Equipment, etc., as appraised by The American Appraisal Company as of October 31, 1924, with subsequent additions at cost	\$1,341,029.41		
Less: Allowance for Depreciation	573,522.22	767,507.19	
Patents, Licenses, etc.		119,480.55	
Deferred:			
Advance Royalties, Prepaid Expenses, etc.		56,705.02	
		<u>\$2,577,286.70</u>	

LIABILITIES

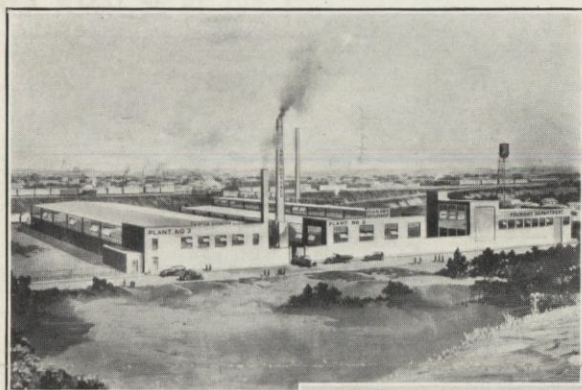
Current:			
Accounts Payable for Purchases, Expenses, Pay Rolls, etc.	\$221,308.86		
Contracts Payable	27,000.00		
Accrued:			
Federal Income Tax-Estimated	\$ 40,000.00		
Real and Personal Taxes and Interest	15,309.88	55,309.88	
Dividend Payable January 1, 1930, on Preferred Stock	24,339.00	\$327,957.74	
Deferred Liability:			
Notes Payable—Secured by Mortgage		144,880.00	
Reserve for General Contingencies, etc.		202,865.45	
Deferred Income (On Installment Sales)		76,256.04	
Capital Stock:			
Preferred—7% Cumulative:			
Authorized and Issued 8,420 shares, of which 307 shares are in the Treasury	\$811,300.00		
Common (No Par Value)			
Authorized 90,000 shares—Issued 87,680 shares of which 239 shares are in the Treasury			
Stated Common Capital	200,000.00		
Surplus Accounts:			
Capital Surplus	\$348,474.64		
Unearned Surplus	99,322.43		
Profit and Loss—Surplus	366,230.40	814,027.47	1,825,327.47
		<u>\$2,577,286.70</u>	

(Note) Unpaid accumulated Preferred Dividends amounted to 23¼ % as of December 31, 1929, after providing for Dividend payable January 1, 1930.

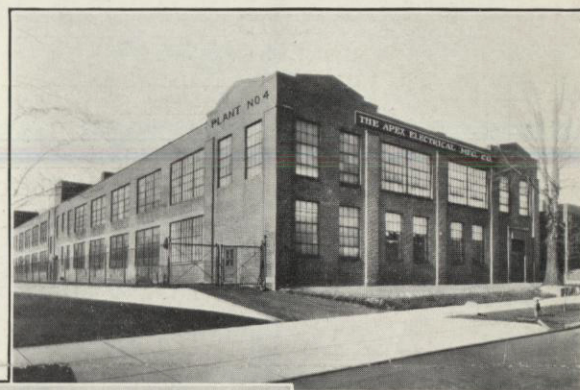
WE HEREBY CERTIFY, that we have examined the books of account and record of THE APEX ELECTRICAL MANUFACTURING COMPANY — CLEVELAND — AND SUBSIDIARIES, as of the close of business December 31, 1929, and that, in our opinion, based upon the records examined and information obtained by us, the accompanying Consolidated Balance Sheet sets forth the financial position of the combined Companies at the date named.

March 7, 1930

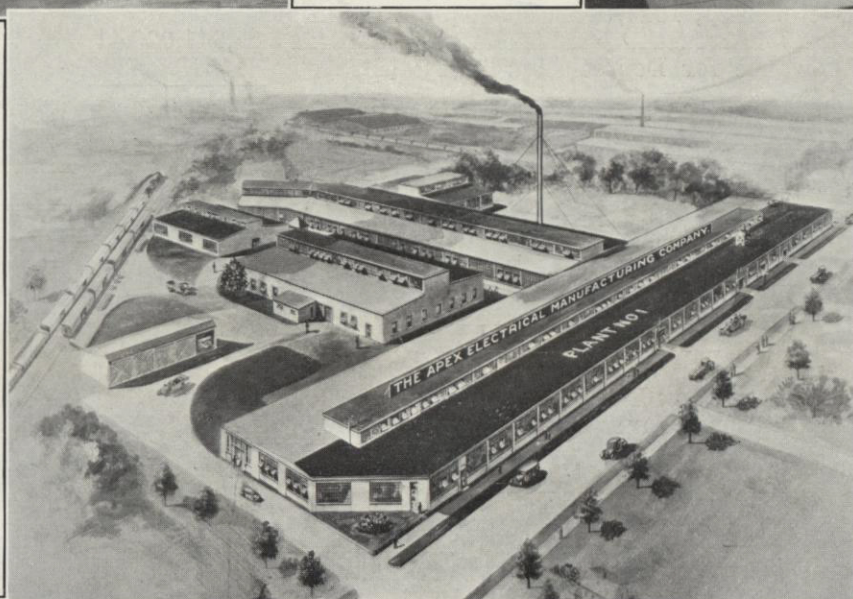
ERNST & ERNST,
Certified Public Accountants.



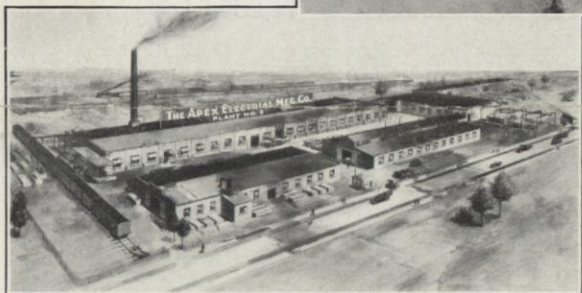
PLANT
Nos. 2 and 3
FOUNDRY DIVISION
MOTOR DIVISION



PLANT No. 4
VACUUM CLEANER
DIVISION
IRONER DIVISION
ENGINEERING



PLANT No. 1
GENERAL OFFICES
WASHER DIVISION



PLANT No. 5
PARTS DIVISION
SERVICE DIVISION



PLANT No. 6
WEST COAST DIVISION